GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:1310
ANSWERED ON:30.11.2006
REVIVAL OF HCL
Panda Shri Prabodh

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether the Government has prepared any plan to revive the Hindustan Cables Ltd. (HCL);

(b) if so, the details thereof;

(c) whether the Department of Telecommunications is agreed with the proposal to tie-up with BSNL or MTNL to provide a bulk order to overcome the present crisis in HCL; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SMT. KANTI SINGH)

(a) & (b): The Draft Revival Scheme in respect of Hindustan Cables Ltd. (HCL) was prepared by the Operating Agency (OA) appointed by the BIFR. Further, studies were conducted by IIT Kharagpur and Tata Consultancy Services (TCS).

A note on future of HCL was examined by the Board for Reconstruction of Public Sector Enterprises (BRPSE) in its meeting held on 11th September, 2006. BRPSE recommended that a further holistic study of HCL, unit wise and company as a whole, should be commissioned through IIT, Kharagpur.

(c) & (d): The requirement of BSNL and MTNL for Polyethylene Insulated Jelly Filled cables (PIJF) the main product of HCL, has come down drastically due to the usage of new technology like WLL (Wireless in Local Loop), GSM (Global Service for Mobile), Internet and CDMA (Code Division Multiple Access). For BSNL, the requirement of cables has come down from 583 LCKM (Lakh Circuit Kilometer) in 2000-01 to 120 LCKM in 2003-04 and 2004-05. No tender was floated for the year 2005-06. The tentative requirement of cables by BSNL for current financial year 2006-07 is about 70 LCKM. BSNL and MTNL have not placed any order with HCL for last three years.